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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.

1. The following are known departmental heads of the Main Administration of Shipbuilding, Ministry of Machine Construction, with room and telephone numbers where known. The telephone numbers are extension numbers to the governmental exchange, which is Berlin 232.

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<u>Room No.</u>	<u>Name</u>	<u>Tel. No.</u>
6206	HV Chief Gebauer ¹	3500
	Technical Chief and Deputy Kuenzel	1714
6142	(Technology and Control, Stollberg)	4244
	(Technical Investments, Jokisch)	
	(Technology, Meissner)	
	(Final Check, Wulff)	
6141	Production Chief Biedermann ²	2580
6146	(Cooperation, Horst)	2375
	(" Schneider)	
	(" Kietzmann)	
	(" Jürgen)	
	(" Sander)	
6130	Electrical Technology, Frenzel	4225
6145	Production Management, Speede	3973
6180	Operative engineer - 8 engineers due for transfer to Rostock include:	3233
	Frumming (Warnowwerft)	
	Federov (Neptunwerft)	

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STATE	X	ARMY	X	NAVY	X	AIR	X	FBI		AEC					
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<u>Room No.</u>	<u>Name</u>	<u>Tel. No.</u>
6137	Sales Manager Knaths	2379
6211	Finance, Reinhardt	3412
6135	Economic Comptroller Beust	2443
6068	Revision, Hupler	2819
6070	Accounting, Puechel	2369
6311	Material Supplies, Schuenemann	2828
6313	Metallurgy, Boehling	4332
6309	(Electrical Machine Construction, Krahn) (Chemistry and Paper, Hoffmann)	2729
6307	(Planning, Kienast) (Planning, Bulig)	?
6147	Work Section, Rinner	2094
6205	Central Planning Section, Desch	4408
6207	Central Planning Section, Sengerlaub	2727
6203	Central Inspection Section, Koehtopp	2385

2. In the Russian Embassy, there is now a department called the Soviet Trade Representation (Sovietische Handelsvertretung). This department is staffed by officers who used to be responsible for the delivery of reparations and they continue their work under this new title, the goods concerned being paid for at nominal prices.

The officer responsible for shipbuilding is Smirnov (fnu) and he has two assistants, Kortunov (fnu) reparations specialist, and Bernikov (fnu) in charge of freighters.

3. Bottlenecks

The principal bottlenecks at the moment are tubes and pipes of all sizes and materials, and ship's plates of over 8 mm. thickness. The Soviet Union promised to deliver 13,000 tons of such ship's plates in the first quarter of 1954, but to date has only delivered 7,000 tons.

4. Officially, the ruble is quoted at 1.8 to the eastmark; however, when the 3,000-ton freighters are delivered from the Neptun Werft to the USSR, the latter pays only 6,500,000 rubles, despite the fact that each costs East Germany 10,000,000 eastmarks. In other words, the Soviet Union is paying one third of the cost price for each ship delivered and gives two reasons for this:

- The uneconomical production methods in East Germany;
- The world price of the ruble is harder than the "favorable" price quoted for the eastmark.

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